

The Secretary also used his letter to explain the administrative process for decisions such as the Hudson denial.

News accounts immediately after Secretary Babbitt sent this letter declared that Babbitt's account of his conversation with Eckstein in the letter to Sen. Thompson conflicted with that in his Aug. 30, 1996, letter to Sen. McCain. The reported points of conflict concerned comments attributed to Babbitt by Eckstein suggesting that White House pressure had improperly influenced the Department's decision-making process.

Following these media accounts, on or about Oct. 14, 1997, the Department of Justice commenced an initial inquiry pursuant to the Independent Counsel Act. Two weeks later, on Oct. 30, Secretary Babbitt testified under oath concerning these allegations before the Senate Committee on Governmental Affairs. His statements before that Committee became the focus of the inquiry by the Department of Justice.<sup>12</sup> These facts and circumstances were at the center of the Attorney General's request to appoint an independent counsel for further investigation of possible violations of criminal law.

The essence of the Independent Counsel's mandate was to determine whether Secretary Babbitt violated federal criminal law in connection with his Senate testimony regarding the Hudson decision and, to the extent it would help to resolve that issue, to determine whether Interior's consideration of the Hudson application was criminally corrupted. With respect to Secretary Babbitt's Senate testimony, the investigation focused on two main areas of potentially false and perjurious testimony: his testimony about what he said in July 1995 to Eckstein about

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<sup>12</sup>On Jan. 29, 1998, Secretary Babbitt also testified before the House Committee on Government Reform and Oversight, chaired by Rep. Dan Burton (R-Ind.).